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**CITY OF MINNEAPOLIS**

**AND**

**MINNEAPOLIS PROFESSIONAL  
EMPLOYEES ASSOCIATION**

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**LETTER OF AGREEMENT**

**MARKET ADJUSTMENT: SENIOR APPLICATIONS ANALYST -  
PEOPLESOFT**

**WHEREAS**, the City of Minneapolis (hereinafter "Employer") and the Minneapolis Professional Employees Association (hereinafter "Association") (collectively the "Parties") have entered into a collective bargaining agreement for the period January 1, 2008 through December 31, 2010 (hereinafter the "Labor Agreement"); and

**WHEREAS**, the Employer has a need for high level skill sets in the area of PeopleSoft applications; and

**WHEREAS**, the Employer is currently accomplishing the necessary work with the use of consultants at a high rate of compensation; and

**WHEREAS**, the Employer and the Association would much prefer to have these higher-level skill sets on a permanent employee basis than hire consultants; and

**WHEREAS**, said permanent employees are represented by the Association and covered under the terms and conditions of the Labor Agreement; and

**WHEREAS**, in the recent past, the Employer has attempted to hire a Senior Applications Analyst with the requisite experience in PeopleSoft applications without success; and

**WHEREAS**, the lack of success was due to the fact that the current salary for the position of Senior Applications Analyst, as stated in the Labor Agreement, is not competitive in the marketplace; and

**WHEREAS**, accessing these skill sets requires that the Employer offer a more competitive salary than that listed in the Labor Agreement; and

**WHEREAS**, the Parties now wish to establish a market wage adjustment (hereinafter "market adjustment"), in addition to the negotiated published salary appearing in the Labor Agreement, for the position of Senior Applications Analyst – PeopleSoft, which

position will be required to have a high level skill set in the area of PeopleSoft applications;

**NOW, THEREFORE,** the Parties agree as follows:

1. The Labor Agreement provisions for filling vacant positions will be followed in the hiring of the Senior Applications Analyst – PeopleSoft position, except where the Labor Agreement is silent on a matter, then the provisions of the Rules of the Minneapolis Civil Service Commission will be followed;
2. The job posting will state that the position is subject to a market adjustment over and above the salary listed on the salary schedule;
3. The job posting and the job description for the position will clearly state the high level skill sets in the area of PeopleSoft applications required to qualify for the position;
4. The position will be open to both internal and external candidates;
5. The position, Senior Applications Analyst - PeopleSoft, will be eligible for a market adjustment of up to \$25,000 above the stated salary in the Labor Agreement as negotiated by the Director, Applications Portfolio and Business Intelligence;
6. The Employer may offer any, or all, of the market adjustment amount, in addition to the published salary for the position, in its negotiations with applicants.
7. No sooner than three (3) years from the date of hire of an employee receiving a market adjustment, if the Employer determines that the market adjustment is no longer appropriate, it shall notify the employee and the Association to meet and confer on adjusting the market adjustment either upward, downward, or no change;
8. Any such market adjustment made by the Employer shall be based on a reputable market analysis or reputable job survey pertaining to the position;
9. The Employer's failure to base its market adjustment decision on a reputable market analysis or reputable job survey shall be grievable under the provisions of the Labor Agreement;
10. At the time of hire, an employee receiving a market adjustment will sign a written acknowledgement that he/she is fully informed that the salary being provided includes a market adjustment in the stated amount of the market adjustment and any additional expectations associated with the additional compensation, and that said market adjustment will be reviewed in three years from the date of hire and will be adjusted either upward, downward, or no change based on a reputable market analysis or reputable job survey.
11. The review procedure will be repeated every three (3) years following the initial three-year review, and upon each such review a new written acknowledgement will be obtained from the employee stating the market adjustment amount and the employee's understanding that the market adjustment will be reviewed in three years and will be adjusted either upward, downward, or no change based on a reputable market analysis or reputable job survey;
12. The Association will be promptly provided with a copy of each written acknowledgement obtained from an employee;

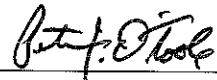
13. The Employer shall notify the employee and the Association in writing to meet and confer on each market adjustment review;
14. Following the initial three-year review, the Employer's failure to base any market adjustment decision on a reputable market analysis or reputable job survey shall be grievable under the provisions of the Labor Agreement
15. To reiterate for clarification purposes, any market adjustment to the position shall have no effect on the salary for the position as stated in the Labor Agreement or in a separate Letter of Agreement reclassifying the position;
16. Any employee holding the position of Senior Applications Analyst – PeopleSoft and demonstrating the requisite high level skill/competency sets in the area of PeopleSoft applications shall have the opportunity to negotiate the same or similar market adjustment amount received under the provisions of this Letter of Agreement;
17. The Employer will eliminate at least one (1) external consultant performing the function for each employee so hired;

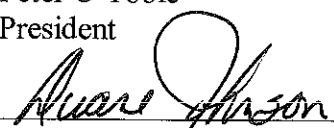
**THE PARTIES** have caused this Letter of Agreement to be executed by their duly authorized representatives whose signatures appear below.

**FOR THE EMPLOYER:**

 11/5/08  
\_\_\_\_\_  
Timothy O. Giles Date  
Director, Employee Services

**FOR THE ASSOCIATION:**

 11/7/08  
\_\_\_\_\_  
Peter O'Toole Date  
President

 11/4/08  
\_\_\_\_\_  
Duane Johnson Date  
Labor Counsel